

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 9/12/2013

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoking letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to Invoke ServisFirst Bank Letter of Credit No. 10423 for the Village of Providence Phase 6-A Subdivision.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: 8-27-13

RESOLUTION NO. 13-_____

WHEREAS, ServisFirst Bank issued a certain letter of credit (No. 10423), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to ServisFirst Bank Letter of Credit No. 10423, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 12th day of September, 2013.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 12th day of September, 2013.

Mayor of the City of
Huntsville, Alabama

SERVISFIRST BANK
Post Office Box 18127
Huntsville, Alabama 35804
T 256.722.7800 F 256.722.7810
servisfirstbank.com

SW
ext

RENEWAL OF
IRREVOCABLE LETTER OF CREDIT NO. 10423



Beneficiary:
City of Huntsville
P.O. Box 308
Huntsville, AL 35804

Account Party:
Town Makers, LLC
7 Town Center Drive
Suite 102
Huntsville, AL 35806

Bank:
ServisFirst Bank
401 Meridian Street
Suite 100
Huntsville, AL 35801

Place of Presentment/Expiry:
ServisFirst Bank
401 Meridian Street, Suite 100
Huntsville, AL 35801

Amount: \$45,500.00
Issue Date: September 17, 2012
Expiration Date: September 17, 2013

Subject: Article 5 Sidewalks / Letter of Credit for Village of Providence Phase 6 – A
Resubdivision of Lot 2 and A Part of Lot 1 of A Resubdivision of Lot 1 A of a resubdivision of
Lots 1 and 3 of West Ridge First Sector and a Resbudivision of a part of Lot 1 B of a resubivision
of Lots 1 and 3 of West Ridge First Sector.

Gentlemen:

We hereby renew our Irrevocable Standby Letter of Credit in your favor, effective September 17, 2012, for sum not to exceed the aggregate of \$45,500.00, available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to ServisFirst Bank.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents specified.

MN 11-14-12 MS 11/15/12 OK
CE18
11/20/12
BZ KCA 11/14/12

This Letter of Credit shall be governed by the Laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

This standby letter of credit is subject to and governed by the laws of the State of [Alabama] and UCP 600. For all purposes of this letter of credit, any provision of UCP 600 that, if applied, would conflict with Article 5 of the [Alabama] Uniform Commercial Code but for the application of such Article 5, shall be deemed excluded from UCP 600.

ServisFirst Bank

By: 

Hill Womble, Senior Vice President

SERVISFIRST BANK
Post Office Box 18127
Huntsville, Alabama 35804
T 256.722.7800 F 256.722.7810
servisfirstbank.com

S/W ext

RENEWAL OF
IRREVOCABLE LETTER OF CREDIT NO. 10423

Servis 1st Bank

Beneficiary:
City of Huntsville
P.O. Box 308
Huntsville, AL 35804

Account Party:
Town Makers, LLC
7 Town Center Drive
Suite 102
Huntsville, AL 35806

Bank:
ServisFirst Bank
401 Meridian Street
Suite 100
Huntsville, AL 35801

Place of Presentment/Expiry:
ServisFirst Bank
401 Meridian Street, Suite 100
Huntsville, AL 35801

Amount: \$39,680.00
Issue Date: November 9, 2011
Expiration Date: November 9, 2012

MS
11/28/11

Subject: Article 5 Sidewalks / Letter of Credit for Village of Providence Phase 6 – A
Resubdivision of Lot 2 and A Part of Lot 1 of A Resubdivision of Lot 1 A of a resbudivision of
Lots 1 and 3 of West Ridge First Sector and a Resbudivision of a part of Lot 1 B of a resubivision
of Lots 1 and 3 of West Ridge First Sector.

Gentlemen:

We hereby renew our Irrevocable Standby Letter of Credit in your favor, effective November 9, 2011, for sum not to exceed the aggregate of \$39,680.00, available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to ServisFirst Bank.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents specified.

MW 11-28-11

OK
CSH
11-28-11

OK
CSH
11/29/11

nis Letter of Credit shall be governed by the Laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

This standby letter of credit is subject to and governed by the laws of the State of [Alabama] and UCP 600. For all purposes of this letter of credit, any provision of UCP 600 that, if applied, would conflict with Article 5 of the [Alabama] Uniform Commercial Code but for the application of such Article 5, shall be deemed excluded from UCP 600.

ServisFirst Bank

By: 

Hill Womble, Senior Vice President

SERVISFIRST BANK
Post Office Box 18127
Huntsville, AL 35804
T 256.722.7800 F 256.722.7810
servisfirstbank.com

5/10
H

1



Servis 1st Bank

IRREVOCABLE LETTER OF CREDIT NO. 10423

Beneficiary:
City of Huntsville
P.O. Box 308
Huntsville, AL 35804

Account Party:
Town Makers, LLC
7 Town Center Drive
Suite 102
Huntsville, AL 35806

Bank:
ServisFirst Bank
401 Meridian Street
Suite 100
Huntsville, AL 35801

Place of Presentment/Expiry:
ServisFirst Bank
401 Meridian Street, Suite 100
Huntsville, AL 35801

MS
1/20/11

Amount: \$56,680.00
Issue Date: November 9, 2010
Expiration Date: November 9, 2011

Subject: Article 5 Sidewalks / Letter of Credit for Village of Providence Phase 6 – A Resubdivision of Lot 2 and A Part of Lot 1 of A Resubdivision of Lot 1 A of a resubdivision of Lots 1 and 3 of West Ridge First Sector and a Resbudivision of a part of Lot 1 B of a resubivision of Lots 1 and 3 of West Ridge First Sector.

"DUPLICATE ORIGINAL LETTER OF CREDIT"

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective November 9, 2010, for sum not to exceed the aggregate of \$56,680.00, available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to ServisFirst Bank.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

M 1-25-11

OK KCA
1/25/11

OK
CCH
1/26/11

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents specified.

This Letter of Credit shall be governed by the Laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

ServisFirst Bank

By:


Hill Womble, Senior Vice President

BANK
Box 18127
Huntsville, AL 35804
P 256.722.7800 F 256.722.7810
servisfirstbank.com

IRREVOCABLE LETTER OF CREDIT NO. 10423

Beneficiary:
City of Huntsville
P.O. Box 308
Huntsville, AL 35804

Account Party:
Town Makers, LLC
7 Town Center Drive
Suite 102
Huntsville, AL 35806

Bank [REDACTED]
ServisFirst Bank
401 Meridian Street, Suite 100
Huntsville, AL 35801

Place of Presentment/Expiry:
ServisFirst Bank
401 Meridian Street, Suite 100
Huntsville, AL 35801

Amount: \$56,680.00
Issue Date: November 9, 2009
Expiration Date: November 9, 2010

MS 11/24/09

Subject: Article 5 Sidewalks / Letter of Credit for Village of Providence Phase 6 - A
Resubdivision of Lot 2 and A Part of Lot 1 of A Resubdivision of Lot 1 A of a resubdivision of
Lots 1 and 3 of West Ridge First Sector and a Resubdivision of a part of Lot 1 B of a resubdivision
of Lots 1 and 3 of West Ridge First Sector.

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective November 9, 2009,
for sum not to exceed the aggregate of \$56,680.00, available by your one or more drafts at SIGHT on
us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof
will be duly honored if drawn and presented for payment to ServisFirst Bank.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville
Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will
be duly honored upon presentation and delivery of the documents specified.

This Letter of Credit shall be governed by the Laws of the State of Alabama, including but not limited
to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

ServisFirst Bank

By: 
Bill Womble, Senior Vice President

11/24/09

M, 11-24-09

*OK
CEH
12/1/09*